The Economic Impact of Colorado Coalition for the Homeless
For more than 50 years, U.S. health centers have delivered comprehensive, high-quality preventive and primary health care to patients regardless of their ability to pay, becoming one of the largest safety net systems in the country.

Colorado Coalition for the Homeless has been no exception. In 2014, Colorado Coalition for the Homeless provided care to many of the most underserved members of its community. In addition to providing quality care, Colorado Coalition for the Homeless generated positive economic impacts, including jobs, tax revenues and savings to the health care system.

- **Total Economic Impact**: $50,497,632 annually
  - **Non-direct**: $22,751,310
  - **Direct**: $27,746,322

- **Patients Served**: 13,231
- **Patient Visits**: 109,730
- **Patient Profile**:
  - 58% Medicaid
  - 8% Medicare
  - 33% Uninsured
  - 0% Privately Insured
  - 99% Under 200% Poverty

- **Cost Savings**: $16.7 Million annually
- **Total Tax Revenue**:
  - State & Local: $1.7 Million
  - Federal: $4.6 Million
  - Total: $6.3 Million
Community health centers provide high quality, cost-effective, patient-centered care to working families in communities that would otherwise not have adequate access to health care services. In 2014, Colorado CHCs provided a health care home for more than one in eight people in the state. Two-thirds of Colorado CHC patients are members of racial or ethnic minorities, which places CHCs at the center of the effort to reduce racial disparities in health care.1

Recent studies show that, on average, each patient receiving care at a health center saved the health care system 24%, annually.4 With 13,231 patients served by Colorado Coalition for the Homeless in 2014, the estimated annual savings is $16.7 million at $1,263 saved per patient.5

ECONOMIC IMPACT

As health centers expand, their expenditures and corresponding economic impact also grow. In 2014 alone, Colorado Coalition for the Homeless contributed about $50.5 million dollars. The table to the right summarizes economic impact and employment.

The tax impacts of Colorado Coalition for the Homeless are divided into state/local governments and Federal government agencies.

Tax revenue is generated through employee compensation, proprietor income, indirect business taxes, households, and corporations based on the modeled impact.

Distribution of Population

<table>
<thead>
<tr>
<th></th>
<th>CHC Population</th>
<th>National Population 2, 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 100% Poverty</td>
<td>93%</td>
<td>71%</td>
</tr>
<tr>
<td>Under 200% Poverty</td>
<td>99%</td>
<td>92%</td>
</tr>
<tr>
<td>Uninsured</td>
<td>33%</td>
<td>28%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>58%</td>
<td>46%</td>
</tr>
<tr>
<td>Medicare</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>Privately Insured</td>
<td>%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Summary of 2014 Total Economic Activity

<table>
<thead>
<tr>
<th>Economic Impact</th>
<th>Employment (# of FTEs*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>303</td>
</tr>
<tr>
<td>Indirect</td>
<td>99</td>
</tr>
<tr>
<td>Induced</td>
<td>451</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

Summary of 2014 Tax Revenue

<table>
<thead>
<tr>
<th></th>
<th>Federal</th>
<th>State/Local</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>$2,795,031</td>
<td>$573,850</td>
</tr>
<tr>
<td>Indirect</td>
<td>$641,485</td>
<td>$317,162</td>
</tr>
<tr>
<td>Induced</td>
<td>$1,205,568</td>
<td>$847,031</td>
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<tr>
<td>Total</td>
<td>$4,642,084</td>
<td>$1,738,043</td>
</tr>
</tbody>
</table>

Total Tax Impact $6,380,127

*Full-time Equivalent (FTE) of 1.0 means that the person is equivalent to a full-time worker. In an organization that has a 40 hour work week, a person who works 20 hours per week (i.e. 50 percent time) is reported as “0.5 FTE.” FTE is also based on the number of months the employee works. An employee who works full time for four months out of the year would be reported as “0.33 FTE” (4 months/12 months).
HOW ECONOMIC IMPACT IS MEASURED

Using IMPLAN, integrated economic modeling software, this analysis applies the “multiplier effect” to capture the direct, indirect, and induced economic effects of health center business operations and capital project plans. IMPLAN generates multipliers by geographic region and by industry combined with a county/state database. It is widely used by economists, state and city planners, universities and others to estimate the impact of projects and expenditures on the local economy. This analysis was conducted using IMPLAN Version 3, Trade Flows Model.

WHAT ARE DIRECT, INDIRECT AND INDUCED IMPACTS?

Direct impacts result from health center expenditures associated with expanded operations, new facilities, and hiring.

Indirect impacts result from purchases of local goods and services, and jobs in other industries.

Induced impacts result from purchases of local goods and services at a household level made by employees of the health center and suppliers.

A health center purchases medical devices from a local medical supply store. The medical supply store purchases paper from an office supply store to print receipts and hires a local delivery service to transport the medical devices. As local industries grow and household income increases, employees of the health center, medical supply store, office supply store, and delivery service spend their salaries in the community.

This purchase is a direct economic impact of the health centers expanded operations. These purchases are indirect economic impacts of the health centers expanded operations. These purchases are induced economic impacts because they are the result of growth of the entire community.
REFERENCES


ABOUT CAPITAL LINK

Capital Link is a non-profit organization that has worked with hundreds of health centers and Primary Care Associations for over 15 years to plan capital projects, finance growth and identify ways to improve performance. We provide innovative consulting services and extensive technical assistance with the goal of supporting and expanding community-based health care. For more information, visit us online at www.caplink.org.

SOURCES

This report was created with the FY14 financial statement and the 2014 UDS report from Colorado Coalition for the Homeless in cooperation with CCHN.